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In the Supreme Court of the United States

OCTOBER TERM, 1990

B & H INDUSTRIES OF SOUTHWEST FLORIDA, INC.,
PETITIONER

v.

RICHARD A. DIETER, ET AL.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE ELEVENTH CIRCUIT

BRIEF FOR THE UNITED STATES AS AMICUS CURIAE

KENNETH W. STARR
Solicitor General

STUART M. GERSON
Assistant Attorney General

JOHN G. ROBERTS, JR.
Deputy Solicitor General

MICHAEL R. LAZERWITZ
Assistant to the Solicitor General

BARBARA C. BIDDLE
FRANK A. ROSENFELD
Attorneys
Department of Justice
Washington, D.C. 20530
(202) 514-2217

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QUESTIONS PRESENTED

1. Whether the court of appeals exceeded its authority by reversing the district court's findings of fact as clearly erroneous without first reviewing all of the trial exhibits.

2. Whether the court of appeals correctly held that, in determining the likelihood of confusion between marks in an infringement action under the Trademark Act of 1946 (Lanham Act), 15 U.S.C. 1051 *et seq.*, an "incontestable" trademark is presumed to have at least the strength of a descriptive mark with secondary meaning.

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This submission responds to the Court's invitation to the Solicitor General to file a brief expressing the views of the United States.

STATEMENT

1. Under the Trademark Act of 1946 (Lanham Act), 15 U.S.C. 1051 *et seq.*, a party may register a trademark with the Patent and Trademark Office (PTO) in order to obtain federal trademark protection. The PTO may deny registration on any of a number of grounds, none of which is relevant here. 15 U.S.C. 1052. Once a party registers its trademark, it may bring an infringement action for mone-

tary and injunctive relief against other users of the mark. 15 U.S.C. 1114(1), 1116. In order to prevail in such an action, the trademark owner must first establish that its trademark is valid, see *Park 'N Fly, Inc.* v. *Dollar Park and Fly, Inc.*, 469 U.S. 189, 194 (1985), and must then show that the alleged infringer's use of the mark "is likely to cause confusion, or to cause mistake, or to deceive * * *," 15 U.S.C. 1114(1)(a).

a. A trademark's "strength" is the principal factor in determining whether it is valid. Under the Lanham Act, potential trademarks generally fall into four categories of increasing strength along a spectrum: generic, descriptive, suggestive, and arbitrary or fanciful. See generally 1 J. McCarthy, *Trademarks and Unfair Competition* § 11:1, at 433-434 (2d ed. 1984); see also *Abercrombie & Fitch Co.* v. *Hunting World, Inc.*, 537 F.2d 4, 9-11 (2d Cir. 1976) (Friendly, J.). The weakest is a "generic" term, *i.e.*, "the common descriptive name of an article or substance * * *." 15 U.S.C. 1064(c) (Supp. V 1987). As this Court has noted, "[g]eneric terms are not registrable, and a registered mark may be canceled at any time on the grounds that it has become generic." *Park 'N Fly*, 469 U.S. at 194.

A stronger trademark is a "descriptive" mark. Although an applicant generally may not register a mark that "is merely descriptive" of its goods, 15 U.S.C. 1052(e), it may do so if that mark "has become distinctive of the applicant's goods in commerce," 15 U.S.C. 1052(f), *i.e.*, if the mark "has acquired secondary meaning" in the relevant market. *Park 'N Fly*, 469 U.S. at 194. Thus, even though a term may describe a characteristic of the product,

that term "may by long use in connection with a particular product * * * come to be known by the public as specifically designating that product." *Volkswagenwerk Aktiengesellschaft* v. *Rickard*, 492 F.2d 474, 477 (5th Cir. 1974).

An even stronger trademark along the spectrum is a "suggestive" mark, that is, a term that "requires an effort of the imagination by the consumer in order to be understood as descriptive." *Vision Center* v. *Opticks, Inc.*, 596 F.2d 111, 115-116 (5th Cir. 1979), cert. denied, 444 U.S. 1016 (1980). Finally, the strongest type of trademark is a "fanciful" or "arbitrary" mark. As one commentator has explained, " '[f]anciful' marks consist of 'coined' words which have been invented for the sole purpose of functioning as a trademark." 1 J. McCarthy, *supra*, § 11:3, at 436; *e.g.*, "KODAK." "Arbitrary" marks, on the other hand, "comprise those words, symbols, pictures, etc., which are in common linguistic use but which, when used with the goods or services in issue, neither suggest nor describe any ingredient, quality or characteristic of those goods or services." 1 J. McCarthy, *supra*, § 11:4, at 439; *e.g.*, "Apple" computers.

b. In determining whether an alleged infringer's use of a mark "is likely to cause confusion" in the marketplace with goods identified by an otherwise validly registered trademark, federal courts have developed various multi-factor approaches, all of which are similar in operation, if not in precise terms. See generally 3A L. Altman, *Callmann Unfair Competition Trademarks and Monopolies* § 20.62, at 507-516 (4th ed. 1983). The Eleventh Circuit, for example, uses a representative analysis by considering the

> (1) type of mark [*i.e.*, its strength], (2) similarity of mark[s], (3) similarity of the prod-

> ucts the marks represent, (4) similarity of the parties' retail outlets and customers, (5) similarity of advertising media used, (6) defendant's intent[,] and (7) actual confusion.

Pet. App. A7; see *Freedom Sav. & Loan Ass'n* v. *Way*, 757 F.2d 1176, 1182 (11th Cir.), cert. denied, 474 U.S. 845 (1985); see also *Frisch's Restaurants, Inc.* v. *Elby's Big Boy of Steubenville, Inc.*, 670 F.2d 642, 648 (6th Cir.), cert. denied, 459 U.S. 916 (1982).

c. As this Court recognized in *Park 'N Fly*, 469 U.S. at 193-197, a trademark's "incontestability" under Section 15 of the Lanham Act, 15 U.S.C. 1065, may be relevant to resolving an infringement action. A trademark may become "incontestable" under 15 U.S.C. 1065 five years after registration.[1] Incon-

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[1] In order to obtain that status, the owner must file an affidavit with the PTO stating "that the mark had been registered and in continuous use for five consecutive years, that there had been no final adverse decision to [the owner's] claim of ownership or right to registration, and that no proceedings involving such rights [are] pending." *Park 'N Fly*, 469 U.S. at 191-192. For the period at issue here, the Lanham Act also required the owner to file an affidavit between the fifth and sixth anniversaries of the registration "showing that said mark is in use in commerce or showing that its nonuse is due to special circumstances which excuse such nonuse and is not due to any intention to abandon the mark." 15 U.S.C. 1058(a) (1982). If no such affidavit were filed, the Commissioner of the PTO would cancel the registration at the end of six years rather than allow it to remain in force for the full 20-year term. 15 U.S.C. 1058(b).

Congress amended the statute in 1988. See Trademark Law Revision Act of 1988, Pub. L. No. 100-667, Tit. I, § 110, 102 Stat. 3939. Under the current statute, the term of a trademark registration is ten years. 15 U.S.C. 1058(a).

testable status is "conclusive evidence of the * * * registrant's * * * exclusive right to use the registered mark," subject to certain enumerated defenses. 15 U.S.C. 1115(b). And in *Park 'N Fly*, this Court expressly held that "the holder of a registered mark may rely on incontestability to enjoin infringement and that such an action may not be defended on the grounds that the mark is merely descriptive." 469 U.S. at 205.[2]

2. Respondent Richard A. Dieter, the sole shareholder of respondent Richard A. Dieter General Contractor, Inc., a Florida corporation (collectively respondent), operates a retail business in the Tampa Bay area under the name "Shutterworld." Respondent "assembles, distributes and deals in various types of shutters, including pre-hung wooden shutter assemblies." Pet. App. A-24-A25. In 1976, respondent applied for federal trademark registration of the name "Shutterworld," the mark consisting of "the name in script form, superimposed on a large letter 'O.'" *Id.* at A3, A25; see id. at A77.[3] In 1983, re-

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Moreover, the owner must file between the fifth and sixth anniversaries of the registration an affidavit

> setting forth those goods or services recited in the registration on or in connection with which the mark is in use in commerce and attaching to the affidavit a specimen or facsimile showing current use of the mark, or showing that any nonuse is due to special circumstances which excuse such nonuse and is not due to any intention to abandon the mark.

15 U.S.C. 1058(a).

[2] In so holding, the Court rejected the distinction drawn between "defensive" use of incontestability, *i.e.*, to ward off an attempt to cancel the registration, and "offensive" use, to enjoin infringement. *Park 'N Fly*, 469 U.S. at 203-205.

[3] Respondent did not register its mark under Florida law. Pet. App. A3.

spondent filed the requisite affidavit for incontestability under 15 U.S.C. 1058 and 1065, stating "that the registered mark had been in continuous use in interstate commerce since April 5, 1977 for 'prehung wooden shutter assemblies,' and that the mark was still so used." Pet. App. A3, A26. The record further showed that the

> wooden shutters which [respondent] manufactures are labelled with its registered trademark, which is burned into the wood. Those shutters sold but not manufactured by [respondent] are labelled with small silver stickers marked with the name "Shutter-World" in plain block letters, hyphenated.

Id. at A2; see *id.* at A29-A31.

Petitioner B & H Industries of Southwest Florida, Inc., is based in Fort Myers, Florida, about 120 miles south of the Tampa Bay area. Petitioner sells " 'insulated roll-down security shutters,' which are designed for exterior use as protection against weather and intruders." Pet. App. A3-A4. Petitioner "does not maintain its own storefront." *Id.* at A38. The firm instead sells its products through "several independent 'home improvement centers.' " *Ibid.* In February 1984, petitioner obtained Florida registration for the phrase "Shutterworld, a name you can rely on" and an accompanying design. *Id.* at A35-A36. The registered mark included the name "Shutterworld" written in block capital letters simulating a neon sign, with the letter "O" enlarged and the script letters "SW" inside the "O." *Id.* at A4, A35-A36, A77.

In 1986, petitioner sought federal trademark registration of its "Shutterworld" name and logo.[4] The PTO, however, initially rejected petitioner's application "because of the likelihood of confusion with [respondent's] registered mark." Pet. App. A37; see *id.* at A4. Petitioner amended its application and submitted "an affidavit and pictorial evidence to support its claim that there was a lack of confusion between its mark and [respondent's]." *Id.* at A37. The PTO thereafter published petitioner's mark. *ibid.*; see 15 U.S.C. 1062(a).

3. As a result of this publication, respondent filed an action against petitioner in the United States District Court for the Middle District of Florida, alleging that petitioner had infringed its registered trademark in violation of Section 32 and 43(a) of the Lanham Act, 15 U.S.C. 1114 and 1125(a).[5] Respondent sought monetary and injunctive relief. Pet. App. A4-A5, A23-A24.

After a bench trial, the district court held that petitioner had not infringed respondent's trademark and therefore denied relief. Pet. App. A22-A77. Turning first to the validity of respondent's trademark, the court found that that mark "has become incontestable." *Id.* at A51. Accordingly, "[t]he validity of the mark is not in dispute, and [respondent] may prevent the use of any mark that has been used

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[4] In its application, petitioner substituted the phrase "the roll shutter leader" for the original logo phrase "a name you can rely on." Pet. App. A36.

[5] Respondent also alleged claims under Florida law. Pet. App. A5, A24. The district court denied relief, *id.* at A72-A73, but the court of appeals reversed and remanded for further proceedings, *id.* at A19. Petitioner has not sought further review of that aspect of the court of appeals' judgment.

in such a way as to create a likelihood of confusion with the use of the mark as registered." *Id.* at A51-A52 (citing *Park 'N Fly*, 469 U.S. at 205).[6]

The court next considered whether the competing trademarks "create a likelihood of confusion," Pet. App. A55, using the multi-factor approach followed in the Eleventh Circuit, see pp. 3-4, *supra*. The court recognized that "[o]ne of the most critical factors in the analysis concerns the type of mark at issue." Pet. App. A56. With respect to that inquiry, the court stated that

> [t]he fact that [respondent's] mark is incontestable does not prevent the Court from assessing its strength * * *. The mark is presumed not to be merely descriptive when it comes to the question of validity. However, this does not establish the mark's status for purposes of determining the likelihood of confusion issue.

Id. at A56 n.7. After reviewing the record, the court found that the term "Shutterworld" was "best characterized as descriptive," *id.* at A60, and that respondent had "failed to show the existence of secondary meaning for its mark," *id.* at A61. Consequently, the court determined that respondent's mark was weak. *Id.* at A70.

After considering other pertinent factors, including evidence that petitioner had acted in good faith, Pet. App. A67, and that there was "no solid, credible evidence that any potential customer had mistaken

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[6] The court rejected petitioner's contention that respondent had "abandoned" use of its mark, one of the enumerated statutory defenses to incontestability under 15 U.S.C. 1115(b). Pet. App. A52-A55. Petitioner does not appear to have pressed that claim before the court of appeals and has not raised it in this Court.

[petitioner's] business for [respondent's]," *id.* at A68, the court concluded that there was "no likelihood of confusion," *id.* at A69. In so concluding, the court emphasized that "[c]hief among the factors that [it found] significant [were] the weakness of [respondent's] mark, and the lack of proof of actual confusion on the part of customers." *Id.* at A70.

4. The court of appeals reversed and remanded for further proceedings. Pet. App. A1-A21. At the outset, the court of appeals applied the "clearly erroneous standard" in reviewing the district court's factual findings regarding the likelihood of confusion between the competing trademarks. *Id.* at A6 & n.2 (citing Fed. R. Civ. P. 52(a)). After reviewing the record, including "the exhibits introduced at the trial of the case," the court of appeals had "the definite conviction that the trial court committed a mistake by finding no likelihood of confusion." Pet. App. A6. The court pointed to the record evidence that the parties pursued similar retail and advertising strategies within a small geographic area—evidence deemed not significant by the district court—to conclude, "[a]fter considering all of the facts, * * * that there is a substantial likelihood of confusion." *Id.* at A12; see *id.* at A10-A12.

In addition, the court of appeals concluded that the district court had erroneously treated respondent's mark as "merely descriptive" for purposes of determining likelihood of confusion without first taking account its "incontestability." Pet. App. A18. The court held that

> incontestable status is a factor to be taken into consideration in likelihood of confusion analysis. Because [respondent's] mark is incontestable, then it is presumed to be at least descrip-

tive with secondary meaning, and therefore a relatively strong mark.

Id. at A18-A19.[7]

DISCUSSION

Petitioner mounts two challenges to the court of appeals' decision: first, that the court exceeded its authority by reversing findings of fact as clearly erroneous without first reviewing all of the trial exhibits, and second, that the court accorded an incontestable mark undeserved strength in the context of an infringement action. In our view, petitioner's first challenge—on the record presented—is not sufficiently substantial to warrant this Court's review. On the other hand, the courts of appeals are divided over the relative strength to be accorded incontestable marks in determining likelihood of confusion in an infringement action. That lack of uniform treatment under the Lanham Act merits this Court's review. Accordingly, the petition should be granted limited to the second issue presented.

1. Petitioner first contends (Pet. 31-45; Reply Br. 3-5) that the court of appeals exceeded its authority by reversing the district court's findings of fact as clearly erroneous without first reviewing all of the trial exhibits. Assuming that the court of appeals did not review the exhibits,[8] and that petitioner was

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[7] The court of appeals noted that it agreed with the district court's finding that respondent "had not established a secondary meaning for the 'Shutterworld' mark." Pet. App. A9. In light of its holding regarding incontestability, however, the court concluded that that finding was irrelevant. *Ibid.*

[8] The court of appeals twice stated that it had reviewed the "exhibits introduced at the trial of the case." Pet. App. A6; *id.* at A12. Petitioner, citing statements from deputy clerks in the district court and court of appeals that the trial ex-

not responsible for the lapse,[9] that circumstance would not undermine the court of appeals' judgment.

As a matter of sound practice, a reviewing court should have before it those parts of the record that are pertinent to the issues under review. That proposition is, of course, the driving force behind Fed. R. App. P. 10(a) and 11(b). This case, however, does not present an occasion to address departures from that routine practice. Despite respondent's invitation, Br. in Opp. 15-16, petitioner has been unable to identify a single trial exhibit that arguably could have affected the court of appeals' analysis.[10] That is not

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hibits were never transmitted to the court of appeals in Atlanta, see Pet. 32-34, essentially accuses the court of appeals of misrepresenting that fact—an accusation respondent does not dispute head-on. Br. in Opp. 13-16. The fact that the exhibits were not transmitted to the courthouse in Atlanta, however, would not have prevented the court of appeals from reviewing them. It is conceivable that members of the panel may have reviewed those exhibits at the federal court in Tampa. (The chambers of one member of the panel are in St. Petersburg.) Or the court may have been referring to the competing trademarks themselves, which were reproduced in appendices to the district court opinion, see Pet. App. A77.

[9] Under Fed. R. App. P. 10(a) and 11(b), the clerk of the district court is generally responsible for assembling and transmitting the record, *i.e.*, the original papers, exhibits, and transcript of proceedings filed with the court, to the clerk of the court of appeals. Under 11th Cir. R. 11-3, however, "[e]xhibits of unusual bulk or weight * * * shall not be transmitted by the clerk of the district court until and unless directed to do so by the clerk of the court of appeals or by a party." It is unclear from petitioner's description of the trial exhibits whether any of them fell under the terms of the court of appeals' local rule. See Pet. 24-25.

[10] In passing, petitioner has referred to "trial exhibits [that] evidenced and reinforced the District Court's conclu-

surprising, since the court of appeals' disagreement with the district court's findings concerned the weight to be accorded straightforward aspects of the record, namely, the fact that petitioner and respondent pursued similar retail and advertising strategies within a small geographic area. Pet. App. A10-A12. In these circumstances, there is no reason to question the court of appeals' analysis, notwithstanding its alleged failure to review all the trial exhibits.

2. Petitioner also contends (Pet. 46-59) that the court of appeals erred in according incontestable marks undeserved strength in the context of infringement actions. At the outset, petitioner overstates the breadth of the decision below by asserting that the court of appeals "creat[ed] a presumption that [an] incontestable mark is strong and thus entitled to broad protection." Pet. 58. To the contrary, the court held only that an incontestable mark, for purposes of determining likelihood of confusion in an infringement action, is presumed to have the strength of a descriptive mark with secondary meaning—middling strength along the spectrum. Pet. App. A18-A19; see *Beer Nuts, Inc.* v. *Clover Club Foods Co.*, 805 F.2d 920, 924 (10th Cir. 1986). In other words, the court of appeals' holding precludes treating an incontestable mark as effectively unregistra-

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sions as to the marketing strategies and separate geographic trading areas of the parties." Pet. 45; see Reply Br. 5. That oblique citation, without more, should not call the court of appeals' analysis into question. Petitioner also refers to the trial exhibit consisting of respondent's allegedly defective affidavit filed with the PTO in 1983. Pet. 59-60. An issue regarding respondent's compliance with 15 U.S.C. 1058(a), see note 1, *supra*, was neither raised in nor decided by the courts below. See Br. in Opp. 27-28. For that reason, it is immaterial whether the court of appeals reviewed that document.

ble and among the weakest levels of strength—*i.e.*, descriptive without secondary meaning. See pp. 2-3, *supra*. At the same time, the court's decision does not preordain the outcome of an infringement action. The owner must still prevail under a multi-factor analysis, only one factor of which involves the mark's relative strength.

To be sure, as petitioner suggests (Pet. 47, 49), this Court's decision in *Park 'N Fly* does not dictate the presumption of relative strength adopted by the court of appeals. Nonetheless, such a presumption is necessary if that decision is to retain its practical significance. Suppose there were no such presumption. The owner of an incontestable mark, under *Park 'N Fly*, would defeat its competitor's claim that the mark was invalid, even if the competitor showed that the mark lacked secondary meaning. But when that owner reached the second part of the infringement analysis—likelihood of confusion—it would not likely prevail in the face of having such a decidedly "weak" mark. This state of affairs would restore indirectly what this Court in *Park 'N Fly* explicitly rejected—the distinction drawn between "defensive" use of incontestability, *i.e.*, to ward off an attempt to cancel the registration, and "offensive" use, to enjoin infringement. 469 U.S. at 203-205. If the fact of incontestability is to have practical significance—and this Court's decision in *Park 'N Fly* plainly shows that it is—then the presumption of at least the strength of a descriptive mark with secondary meaning follows from incontestability.[11]

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[11] Petitioner also contends (Pet. 55-59) that Congress's recent amendment of 15 U.S.C. 1115(b) undermines the validity of the court of appeals' decision. That amendment provides that incontestability "shall be conclusive evidence of * * * the

3. Finally, petitioner contends (Pet. 51-55) that the courts of appeals are divided over the relative strength to be accorded incontestable marks in determining likelihood of confusion in an infringement action. There is tension among the decisions addressing that issue in the wake of *Park 'N Fly*, with courts according incontestable marks differing levels of presumptive strength. Moreover, in a recent decision issued after this petition was filed, the Seventh Circuit adopted a rule that directly conflicts with the decision below. Although it is not clear whether those inconsistencies have substantial practical significance given the multi-factor analyses used by all circuits to resolve the ultimate issue of likelihood of confusion in infringement actions, we agree with petitioner that the resulting lack of uniform treatment under the Lanham Act does merit this Court's review.

The Ninth Circuit, for example, appears to follow the approach adopted by the decision below. In *Miss World (UK) Ltd.* v. *Mrs. America Pageants, Inc.*, 856 F.2d 1445, 1448 n.4 (1988), the court of appeals stated in passing that "[i]ncontestable marks are conclusively presumed to have secondary meaning," without drawing a distinction between that presump-

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right to use the registered mark * * * subject to proof of infringement." Trademark Law Revision Act of 1988, Pub. L. No. 100-667, Tit. I, § 128(b), 102 Stat. 3944-3945. The presumption adopted by the court of appeals is consistent with that amendment since it does not at all excuse the owner of an incontestable mark from meeting its burden of proving infringement. In any event, this case does not present an occasion to consider the amendment's relevance since it became effective only after the court of appeals issued its decision. See Trademark Law Revision Act of 1988, Pub. L. No. 100-667, Tit. I, § 136, 102 Stat. 3948 (effective date of Nov. 16, 1989).

tion's effect in establishing trademark validity and showing likelihood of confusion. The court, however, proceeded to review the mark's actual strength and concluded that it was "relatively weak." *Id.* at 1450. Like the decision below, the *Miss World* case shows that the presumption accorded incontestable marks may have only marginal weight in the ultimate likelihood of confusion analysis, and scarcely gives the owner—who reasonably expects *some* benefit from having an "incontestable" mark—an undue advantage.[12]

On the other hand, the Sixth Circuit has accorded an incontestable mark an even greater presumptive strength than that given by the court of appeals here. In *Wynn Oil Co.* v. *Thomas*, 839 F.2d 1183, 1187 (1988), the court of appeals concluded that "while the strength of plaintiffs' mark will still be at issue in cases involving contestible [*sic*] marks, once a mark has been registered for five years, the mark must be considered strong and worthy of full protection." That factor, however, did not appear to assume great weight in the court's ultimate multifactor analysis regarding likelihood of confusion. In so ruling, the court made plain that "[t]he closely related nature of the products and the similarity of the marks make it highly probable" that there was "a clear likelihood of confusion." *Id.* at 1189.

The Fifth Circuit has not yet squarely resolved the issue presented for review. In *Oreck Corp.* v. *U.S. Floor Systems, Inc.*, 803 F.2d 166 (1986), cert.

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[12] See also *Park 'N Fly, Inc.* v. *Dollar Park and Fly, Inc.*, 782 F.2d 1508, 1509 (9th Cir. 1986) (Kennedy, J.) (on remand from *Park 'N Fly*, court mentions strength of incontestable mark in passing and concludes, based on other factors, that "the evidence was more than sufficient to support a finding of likelihood of confusion").

denied, 481 U.S. 1069 (1987), the Fifth Circuit concluded that the incontestable status of the owner's mark does not prevent an "attack * * * on grounds of descriptiveness" where the challenge "was not that [plaintiff's] mark was invalid, but that it was not *infringed* because there was no confusion." 803 F.2d at 171. As the court remarked, "[i]ncontestable status does not make a weak mark strong." *Ibid.* In the context of that case, the court's use of the term "descriptiveness" is not clear. The court had already determined that plaintiff's mark, although "appear-[ing] [to be] arbitrary or fanciful, [was] in actual usage * * * suggestive of a number of possible meanings." *Id.* at 170. The court may thus have had no occasion to reach the issue resolved by the decision below, *i.e.*, that an incontestable mark is presumed to be descriptive with secondary meaning. By definition, a "suggestive" mark has at least such strength.

On the other hand, the court expressly concluded that the incontestable mark at issue "was not so evocative or unique as to deserve the broad measure of protection that would be required in order to prohibit [the defendant's] limited use of it." 803 F.2d at 171. Since the court presumably treated the mark as valid, it may well have treated it as being merely descriptive with secondary meaning—a result consistent with the decision below.

Finally, the Seventh Circuit recently held, contrary to the decision below, that "an incontestable mark can[] be challenged on the grounds that it is merely descriptive." *Munters Corp.* v. *Matsui America, Inc.*, No. 89-3553 (Aug. 2, 1990), slip op. 4. In so holding, the court stated that *Park 'N Fly* "does not preclude consideration of a mark's strength for purposes of determining the likelihood of confusion." *Ibid.*

The Seventh Circuit's *Munters* decision thus conflicts squarely with the decision below.[13]

In our view, the court of appeals here correctly held that, for purposes of determining likelihood of confusion, an incontestable trademark is presumed to have a certain minimum strength. That presumption is consistent with the Lanham Act and the rationale of this Court's decision in *Park 'N Fly*. Nonetheless, since the presumptive level of strength accorded incontestable trademarks is an issue that has divided the courts of appeals, and could account for differences among lower court dispositions of infringement actions, further review of that issue now is appropriate.

CONCLUSION

The petition for a writ of certiorari should be granted limited to the second issue presented, namely, whether in determining the likelihood of confusion between marks in an infringement action under the Trademark Act of 1946 (Lanham Act), 15 U.S.C.

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[13] Contrary to petitioner's assertion (Pet. 52-53), the decision below does not necessarily conflict with an earlier Seventh Circuit decision. In *M-F-G Corp.* v. *EMRA Corp.*, 626 F. Supp. 699, 702, 703 (N.D. Ill. 1985), the district court had held that plaintiff's " 'SUPERCUT' trademark [was] merely descriptive," rejecting its contention that "the incontestable status of [that] mark renders it distinctive as a matter of law" for purposes of promoting goods and services other than the use of scissors. On appeal, however, the defendant conceded that its use of the mark on scissors infringed plaintiff's trademark and thus the Seventh Circuit held only that "[i]ncontestability does not help [plaintiff's infringement action with respect other goods and services, because] SUPERCUT is incontestable only for shears." *M-F-G Corp.* v. *EMRA Corp.*, 817 F.2d 410, 411 (1987). The court of appeals thus affirmed the district court's judgment without having to address the issue petitioner presents for review here.

1051 *et seq.*, an "incontestable" trademark is presumed to have at least the strength of a descriptive mark with secondary meaning.

Respectfully submitted.

KENNETH W. STARR
Solicitor General

STUART M. GERSON
Assistant Attorney General

JOHN G. ROBERTS, JR.
Deputy Solicitor General

MICHAEL R. LAZERWITZ
Assistant to the Solicitor General

BARBARA C. BIDDLE
FRANK A. ROSENFELD
Attorneys

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